

# Exhibit 15

Deposition of Denitza Batchvarova  
(January 25, 2017) (excerpted)

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NEVADA

CUNG LE; NATHAN QUARRY, JON	)	
FITCH, on behalf of	)	
themselves and all others	)	
similarly situated,	)	
	)	
Plaintiffs,	)	
	)	
vs.	)	Case No.
	)	2:15-cv-01045-RFB-(PAL)
	)	
ZUFFA, LLC, d/b/a Ultimate	)	
Fighting Championship and	)	
UFC,	)	
	)	
Defendant.	)	
_____	)	

VIDEOTAPED DEPOSITION OF DENITZA BATCHVAROVA

Las Vegas, Nevada

January 25, 2017

9:11 A.M.

Reported by:  
Sarah Padilla, CCR NO. 929  
Job No. 48403

<p style="text-align: right;">30</p> <p>1 this presentation was really meant to look at the  2 different methodologies that we could use to  3 distribute the income. And so the purpose of this  4 presentation was not to estimate how much it is, it  5 was really to look at the different ways that we  6 could distribute the money. And so in this  7 presentation in particular, what this says, we  8 assume that we are making them whole. Essentially  9 we are saying for all the examples that you are  10 going to see in the back, we are distributing  11 9.2 million or we are trying to get to a methodology  12 that would distribute 9.2 million. That is all that  13 is referring to.</p> <p>14 And as far as the meaningful profit in the  15 second deal, we've always looked at -- for us  16 Project Next in the very first deal, this was a --  17 it was an investment in -- in the sport, in the  18 brand, and the athletes. And so we -- it was more  19 of figuring out how to make that first -- that first  20 leap work, that first investment work, and then kind  21 of worry about what happens in the back.</p> <p>22 I mean, you know, I looked to generate a  23 meaningful profit. We knew that we were going to  24 lose money on the first deal. And so we were always  25 looking long term to make more money for us and the</p>	<p style="text-align: right;">32</p> <p>1 <b>Q And which -- do you know which methodology</b>  2 <b>was ultimately chosen?</b></p> <p>3 A I don't think any methodology was chosen  4 until 2015.</p> <p>5 <b>Q All right. Ultimately was a methodology</b>  6 <b>chosen based on seniority?</b></p> <p>7 A The methodology that we chose -- that we  8 first went out the market with -- the market being  9 first announced as part of the athlete outfitting  10 policy -- was the allocation of revenue based on  11 rankings. Let me take a step back.</p> <p>12 Our whole objective with the methodology  13 was to come up with an objective methodology that  14 was not dependent on Zuffa by any means, so the  15 athletes don't feel like we have any control in it.  16 We wanted to come up with a structure that allows  17 them to know how much money they are going to make  18 before they go into the fight, and essentially have  19 clear transparency in the order of how the revenue  20 was allocated.</p> <p>21 So the methodology that we had first set  22 on was first based on rankings, because that was  23 something that is voted on by media. And so we have  24 e-mails that we publish in our website, but at the  25 end of the day it's maintained by an outside party</p>
<p style="text-align: right;">31</p> <p>1 athletes.</p> <p>2 <b>Q And by the first deal, are you referring</b>  3 <b>to the deal that eventually was assigned with Reebok</b>  4 <b>through, was that, 2019; is that right?</b></p> <p>5 A I believe the deal goes through 2020.</p> <p>6 <b>Q 2020?</b></p> <p>7 A Yeah. But I don't recall exactly.</p> <p>8 <b>Q Is that what you mean by the first deal?</b></p> <p>9 A Yes. Eventually we signed the deal with  10 Reebok. But it was that whole concept of in 2013  11 this was just a concept.</p> <p>12 <b>Q Right.</b></p> <p>13 A This was something that was completely in  14 the exploratory stage. We did not even know -- we  15 were still even just talking about "Is it possible?  16 Is it feasible? How do we actually go about  17 assessing if it is possible or feasible?" So, yes,  18 the first deal that I am referring to is the deal  19 that actually happened with Reebok.</p> <p>20 <b>Q If you turn to page 89, were these all</b>  21 <b>possible methodologies that Zuffa was considering in</b>  22 <b>2013 for designing a compensation structure for the</b>  23 <b>fighters under Project Next?</b></p> <p>24 A This -- yes, those are five methodologies  25 that we looked at that potentially could be used.</p>	<p style="text-align: right;">33</p> <p>1 and voted on by media. Once we publish that  2 methodology, obviously we were going through a  3 process where we met with fighters ahead of every  4 single event for about six months where we were  5 educating them on how the outfitting policy would  6 work, what it would do.</p> <p>7 And so as part of that, we heard feedback  8 that it was -- you know, athletes didn't think that  9 it was practical, they didn't like it. Media also  10 felt that they couldn't be part of something that  11 impacted athlete compensation. And so we went back  12 to the drawing board. And we came up with the  13 methodology which is currently actually employed  14 which is assigning by tenure, which is objective.  15 And with that, we also went back and looked at the  16 fact that Zuffa had bought Strike Force and WEC,  17 which are among Pride, Affliction, WFA,  18 organizations that are under -- some of them  19 operated under Zuffa ownership with a different  20 brand.</p> <p>21 So what -- when we did the analysis, we  22 said, "Let's give everyone credit for every bout  23 that they had, not under the UFC brand, but also  24 participating under the Strike Force and WEC brand.  25 Because we didn't want certain athletes to be</p>

<p style="text-align: right;">34</p> <p>1 negatively impacted by the fact that they hadn't  2 spent their whole career fighting under UFC brand,  3 but fought under WEC and Strike Force. So we tried  4 to come up with the most fair objective methodology  5 in distributing revenues.</p> <p>6 <b>Q So tenure included fights with brands that  7 Zuffa had acquired, but it didn't include fights  8 with brands that Zuffa didn't acquire, right, like  9 Invicta, for example?</b></p> <p>10 A Correct. Correct. Although, I believe we  11 may have done some exceptions around Invicta  12 athletes. I am not as close to -- I was obviously  13 very close to creating methodology or thinking  14 through the different methodologies. I am not as  15 close to how the program is running today. I know  16 that since we announced it and since we set it in  17 place, there has been some small changes to it. So  18 you would have to talk to someone else as to the  19 Invicta athletes. And some of them I know there is  20 exceptions. We don't own Invicta.</p> <p>21 <b>Q Right.</b></p> <p>22 <b>If you turn to Slide 91 of this</b>  23 <b>presentation, does this show one type of</b>  24 <b>compensation structure that you were considering at</b>  25 <b>the time in 2013 based on broadcast type for Project</b></p>	<p style="text-align: right;">36</p> <p>1 well-known athlete as a headliner on a prelim event  2 so that we could have good ratings leading into a  3 Pay-Per-View event as opposed to putting them on a  4 Pay-Per-View card. So, absolutely, we liked having  5 the flexibility and we didn't want that to impact  6 the payout under this -- under this policy.</p> <p>7 <b>Q And just to make sure I understand what</b>  8 <b>you are saying correctly, so the UFC has discretion</b>  9 <b>on how to structure the card and wanted to maintain</b>  10 <b>that discretion?</b></p> <p>11 <b>A Yes. Yes.</b></p> <p>12 <b>Q You have been handed what has been marked</b>  13 <b>Exhibit 96, which is Bates stamped ZFL-0895313 and</b>  14 <b>attachment ZFL-0895314.</b></p> <p>15 <b>(Exhibit 96 was marked.)</b></p> <p>16 BY MR. SILVERMAN:</p> <p>17 <b>Q Let me know when you have had a chance to</b>  18 <b>look through it.</b></p> <p>19 A Okay. I have had a chance to look at it.</p> <p>20 <b>Q Okay. If you turn to page 13, beginning,</b>  21 <b>can you describe for me what this e-mail and the</b>  22 <b>attachment were?</b></p> <p>23 A It was an e-mail to Lorenzo Fertita and  24 Lawrence Epstein with an attachment with the subject  25 "minimum compensation" and the attachment of pay</p>
<p style="text-align: right;">35</p> <p>1 <b>Next?</b></p> <p>2 A It does.</p> <p>3 <b>Q Can you describe, if you recall, what this</b>  4 <b>structure would have looked like?</b></p> <p>5 A I would have to get familiar with my -- I  6 would have to read through it and refamiliarize  7 myself to be able to do that.</p> <p>8 <b>Q Can you do that from this presentation or</b>  9 <b>do you need additional materials?</b></p> <p>10 A If I am recalling this correctly,  11 essentially it is looking at a number of  12 broadcast -- the number of events that we have and  13 based on the type of event, looking at assigning  14 different payouts per bout, per event, per placement  15 on the card, I guess.</p> <p>16 <b>Q If you look under the considerations, it</b>  17 <b>says "Card order depends on UFC, therefore could</b>  18 <b>create some controversy." Does that refer to what</b>  19 <b>you were talking about before, about eventually</b>  20 <b>rejecting an option like this because it wasn't</b>  21 <b>objective?</b></p> <p>22 A Correct. We thought that -- exactly. We  23 thought that this is something that technically we  24 want to have the flexibility. And sometimes we do  25 things for a reason, you know, whether it is put a</p>	<p style="text-align: right;">37</p> <p>1 scale Version 03.</p> <p>2 <b>Q And did you send this e-mail in the</b>  3 <b>ordinary course of business?</b></p> <p>4 A I did.</p> <p>5 <b>Q And did you prepare the attachment as</b>  6 <b>well?</b></p> <p>7 A I did.</p> <p>8 <b>Q Okay. What was the purpose of this</b>  9 <b>minimum fighter pay presentation?</b></p> <p>10 A Lorenzo and Lawrence had asked me to look  11 into the potential impact of raising the minimum  12 compensation. At the time our minimum compensation  13 was 8 and 8, going up by 2. So they asked what  14 would it mean if we were to raise it.</p> <p>15 <b>Q And when you say impact, you mean impact</b>  16 <b>on the pay structure?</b></p> <p>17 A Financial impact to Zuffa, so how much  18 more would it cost us on an annual basis to raise  19 the minimum.</p> <p>20 <b>Q If you turn to page 15, can you explain</b>  21 <b>this graph to me?</b></p> <p>22 A The -- it shows the percent of --  23 compensation of specific show pay, specific show  24 money, when -- that is when we referred to you have  25 8,000 to show and you have 8,000 to win. So it was</p>

<p style="text-align: right;">38</p> <p>1 just looking at the show money.</p> <p>2 <b>Q Is it fair to say it looks at how the</b></p> <p>3 <b>percent of bouts are distributed amongst those</b></p> <p>4 <b>different contract tiers?</b></p> <p>5 A Yes, I believe so, to the best of my</p> <p>6 understanding of the chart right now.</p> <p>7 <b>Q Okay. If you turn to the next page at 16,</b></p> <p>8 <b>I think you already said this, but just to make</b></p> <p>9 <b>sure -- can you explain to me exactly what moving</b></p> <p>10 <b>the minimum means?</b></p> <p>11 A Our contracts at the time were if you sign</p> <p>12 with UFC, you were at a minimum getting 8,000 to</p> <p>13 show and 8,000 to win, going up by 2. Which means</p> <p>14 if you win, your next fight is 10,000 to show,</p> <p>15 10,000 to win. If you win, your next fight is at</p> <p>16 12,000 to show, 12,000 to win. And your last bout</p> <p>17 under your contract would be 14,000 to show and</p> <p>18 14,000 to win.</p> <p>19 So essentially the question Lorenzo and</p> <p>20 Lawrence asked me was, "What would happen if we</p> <p>21 moved the very first tier of pay to be 10,000 to</p> <p>22 pay, 10,000 to win or 12,000 and 14,000?" So</p> <p>23 this analysis was attempting to show the full year</p> <p>24 impact of if we moved all -- if, essentially, we</p> <p>25 started implementing that strategy going forward, so</p>	<p style="text-align: right;">40</p> <p>1 a standard pattern that sometimes exists. Having</p> <p>2 said that, this was looking at first contract,</p> <p>3 second contract, third contract for athletes. This</p> <p>4 is not necessarily with the norm. But this was one</p> <p>5 way that I could quantify the potential impact of</p> <p>6 moving the minimum.</p> <p>7 <b>Q How did you -- if this wasn't the norm,</b></p> <p>8 <b>how did you come up with this structure?</b></p> <p>9 A I spoke with -- at the time I spoke with</p> <p>10 Sean Shelby and Joe Silva to understand how they go</p> <p>11 about contracts and how contracts move. And so this</p> <p>12 was -- this was something they said, you know, "You</p> <p>13 could assume that the second contract today starts</p> <p>14 at 17. If, you know, someone is successful, we</p> <p>15 would move them from -- you know, we move them from</p> <p>16 17 to 30 in the second one." So assume that.</p> <p>17 So from there on, it was just if you are</p> <p>18 starting at 10 and 10, your last fight would be 16,</p> <p>19 16, so therefore the second contract will not be at</p> <p>20 17 and 17. Obviously we will move that higher as</p> <p>21 well. And you can see the rest of the columns, if</p> <p>22 you are starting at 12, it would mean the second</p> <p>23 contract moves up and the third contract moves up.</p> <p>24 But it's not by -- it was not a -- this is not a</p> <p>25 hundred percent of what happens. It is the closest</p>
<p style="text-align: right;">39</p> <p>1 if we moved to 10, 10 minimum, yeah.</p> <p>2 <b>Q Do you know why at this particular time</b></p> <p>3 <b>you were asked to look at the impact of moving the</b></p> <p>4 <b>minimum?</b></p> <p>5 A I don't recall. We always look at ways</p> <p>6 to -- I mean, we are always focused on how to give</p> <p>7 more value to the athletes, whether it was through</p> <p>8 better insurance, medical care, incremental revenue</p> <p>9 streams, et cetera. So it is either one of those</p> <p>10 things where we were looking could we move the</p> <p>11 minimum higher than what we are paying today. But</p> <p>12 Lorenzo and Lawrence would probably know better why</p> <p>13 the timing.</p> <p>14 <b>Q So if we look at the top box on this</b></p> <p>15 <b>graph, I think you were looking down through the</b></p> <p>16 <b>left column which says "Current 8K minimum"; is that</b></p> <p>17 <b>right?</b></p> <p>18 A Correct.</p> <p>19 <b>Q So that was the actual structure at the</b></p> <p>20 <b>time; is that right?</b></p> <p>21 A Nothing is absolute with our contracts.</p> <p>22 But obviously, as part of my job, we have to come up</p> <p>23 with ways to estimate things. So the -- the easiest</p> <p>24 way -- not the easiest way, but a way that I could</p> <p>25 come up with to quantify it is to assume somewhat of</p>	<p style="text-align: right;">41</p> <p>1 that I could get to estimating something, putting an</p> <p>2 estimate on a page.</p> <p>3 <b>Q Based on what Sean Shelby told you?</b></p> <p>4 A Exactly, what we discussed, yeah.</p> <p>5 <b>Q You said Sean Shelby. And who was the</b></p> <p>6 <b>other person?</b></p> <p>7 A Joe Silva.</p> <p>8 <b>Q Joe Silva. Okay.</b></p> <p>9 <b>So the second, third, and fourth column,</b></p> <p>10 <b>the 10K minimum, the 12K minimum, and 14K minimum --</b></p> <p>11 <b>is it fair to say that each of those represent</b></p> <p>12 <b>scenarios for what would happen if you moved the</b></p> <p>13 <b>minimum up to that level?</b></p> <p>14 A Yes.</p> <p>15 <b>Q And why is it that those scenarios show</b></p> <p>16 <b>the later fights increasing as well?</b></p> <p>17 A Because I did not think that it would be</p> <p>18 reasonable to assume that if you are -- you know, if</p> <p>19 you look at the very last column, for example, if</p> <p>20 your first bout is starting at 14 and 14 -- excuse</p> <p>21 me -- I did not think it was reasonable to assume</p> <p>22 that if your first contract could go up to 20,000</p> <p>23 and 20,000, we could get you back to 17 and 17 for</p> <p>24 your second contract. And then, you know, once your</p> <p>25 second contract starts at 23 -- which is what I</p>